

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7030

BILL NUMBER: SB 421

DATE PREPARED: Jan 7, 1999

BILL AMENDED:

SUBJECT: Environmental remediation.

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill requires the Department of Environmental Management (IDEM) to ensure that remediation and closure goals, objectives, and standards for activities conducted under the laws concerning hazardous waste management and underground storage tanks are consistent with: (1) realistic current and reasonably foreseeable exposure and (2) the remediation objectives of voluntary remediation law. It provides that for environmental remediation projects groundwater quality standards must be consistent with: (1) realistic current and reasonably foreseeable exposure and (2) the remediation objectives of voluntary remediation law.

It requires IDEM to complete and publish in the Indiana Register it's "Risk Integrated System of Cleanup" (RISC) guidance document before August 1, 1999. It specifies that the RISC guidance document: (1) may constitute only department guidance; (2) may not be included in an administrative rule; and (3) shall be administered in a manner that allows flexibility and deviations from the RISC guidance document based on site specific circumstances.

It requires IDEM, until August 1, 2001, to allow a person that performs an environmental investigation, remediation, or closure to choose to use: (1) the Department's published RISC guidance document or (2) the rules, policies, and guidance in effect on January 1, 1998, to perform the investigation, remediation, or closure.

It requires the Environmental Quality Service Council to submit a recommendation to the General Assembly before December 1, 2000, as to whether IDEM should: (1) continue to allow a person that performs an environmental investigation, remediation, or closure to choose to use IDEM's published RISC guidance document, or the rules, policies, and guidance in effect on January 1, 1998 or (2) be allowed to fully implement the published RISC guidance document.

Effective Date: July 1, 1999.

Explanation of State Expenditures: This bill requires the Indiana Department of Environmental Management (IDEM) to perform the following activities: publish its Risk Integrated System of Cleanups (RISC) guidance in the *Indiana Register*; conduct at least four public hearings regarding the RISC guidance; submit a report to the Environmental Quality Service Council regarding the RISC guidance; and revise and update its RISC guidance at least once per year. This may result in increased expenses for IDEM's Office of Environmental Response (OER).

In addition, IDEM is required, before August 1, 1999, to contract with an independent accounting firm to perform an economic analysis comparing the costs of performing environmental investigations, remediations, and closures under the published RISC guidance document with the costs of using the rules, policies, and guidance in effect on January 1, 1998. The analysis cannot cost more than \$100,000. The OER's expenses are paid out of the state General Fund.

In addition, this bill would have a minimal impact on the cost of publishing the *Indiana Register*. The actual impact depends on the size of the RISC guidance. Expenses associated with publishing the *Indiana Register* are paid from the state General Fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Environmental Management; General Assembly; Legislative Services Agency.

Local Agencies Affected:

Information Sources: